Calendar No. 572

97TH CONGRESS
2d Session

SENATE

REPORT
No. 97-403

# FEDERAL RAILROAD SAFETY AUTHORIZATION ACT OF 1982

MAY 19 (legislative day, MAY 11), 1982.—Ordered to be printed

Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, submitted the following

## REPORT

[To accompany S. 2301]

The Committee on Commerce, Science, and Transportation, having considered a bill (S. 2301) to amend the Federal Railroad Safety Act of 1970, and other safety acts, to extend the authorization for appropriations, and for other purposes, reports favorably thereon an amendment in the nature of a substitute and recommends that the bill do pass.

### PURPOSE

The reported bill amends section 214 of the Federal Railroad Safety Act of 1970 (Safety Act of 1970) to authorize $29.3 million and $31.4 million for fiscal years 1983 and 1984 respectively to cover rail safety activities of the Federal Railroad Administration (FRA) within the Department of Transportation (DOT). The legislation also authorizes $2.7 million and $2.9 million for each of these fiscal years to continue the State participation program established in section 206 of the Safety Act of 1970. Finally, certain amendments are made to two other rail safety acts.

### BACKGROUND

The authority of DOT to implement the rail safety laws originated in the Department of Transportation Act of 1967, which transferred all authority for rail safety from the Interstate Commerce Commission to DOT. The statutes over which DOT acquired jurisdiction included the Safety Appliance Acts (45 U.S.C. 1 et seq.), the Locomotive Inspection Act (45 U.S.C. 22 et seq.), and the Signal Inspection Act (49 U.S.C. 26 et seq.), each of which regulates a separate class of equipment. DOT was also granted to implement the Accidents Reports

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Act (45 U.S.C. 38 et seq. and the Hours of Service Act (45 U.S.C. 61 et seq.).

The first major statutory revision in the area of rail safety occurred in 1970 with the passage of the Federal Railroad Safety Act (45 U.S.C. 421 et seq.). This legislation was intended to consolidate and expand rail safety regulation, which, because the other statutes had applied to specific pieces of equipment, had been piecemeal and not responsive to many of the apparent causes of rail accidents. This act provided the DOT with the authority to issue additional regulations as appropriate, and with specific enforcement mechanisms, including inspection, the issuance of emergency orders, injunctive relief, and penalty assessment.

As a supplement to the Federal enforcement authority, a State program was established under the Safety Act of 1970, whereby DOT would certify State inspection programs and cover up to 50 percent of inspector salaries and related expenses. Also, States were granted the authority under certain circumstances to seek injunctive relief or impose penalties against carriers for safety violations where DOT does not take appropriate action.

During the last Congress, the Committee reviewed FRA's implementation of the Safety Act of 1970, particularly in view of the many criticisms which had been directed at the program over the years. In particular, the Committee was concerned about studies which indicated FRA's lack of safety goals, resulting in an ineffective enforcement program. Concerns were raised that inspections were unstructured and that regulation did not appropriately establish performance standards. Also, questions were raised about the administration of the State inspection program.

In response to these concerns, the Committee and Congress approved the Federal Railroad Safety Authorization Act of 1980, intended to strengthen the rail safety effort. In particular, DOT was directed to submit to Congress a systems safety plan, which would establish goals and the appropriate allocation of resources. The legislation also strengthened FRA's emergency order authority; broadened the scope of State inspection and enforcement activities; and directed certain actions in the areas of hazardous materials and employee training.

The Committee notes that earlier this year DOT submitted its systems safety plan, setting forth the following safety priorities: hazardous materials transportation; passenger service; employee safety; grade-crossing casualties; and trespasser fatalities. The Committee agrees that these areas are appropriate for priority attention by FRA, and will be closely watching FRA's activities in this regard. We understand that as a followup to this plan, FRA has recently instituted annual inspection plans and evaluations for enforcement efforts at the Federal and State levels. The Committee strongly supports this initiative and is encouraged by the efforts which FRA has made to respond to the concerns raised about its safety program.

In light of these past concerns and of the progress which has been made in the rail safety program, the Committee this year examined the appropriate reauthorization level of FRA's activities in this area. Also, it reviewed an administration proposal to terminate the Federal funding for the State participation program.

## Summary of Committee Action

On March 30, 1982, Senator Packwood introduced for himself and Senator Danforth by request of the administration S. 2301, the Federal Railroad Safety Authorization Act of 1982, which provided an authorization for FRA safety activities for fiscal years 1983 and 1984, and made two other changes in the rail safety laws. It did not reauthorize the Federal funding for the State participation program.

On April 13, 1982, the Surface Transportation Subcommittee held oversight hearings on FRA's safety activities and S. 2301. At that time, testimony was received from FRA on its authorization request and its recommended changes, as embodied in S. 2301. Also, testimony was received from the National Transportation Safety Board, the rail industry, and rail labor on the FRA safety program. Various State representatives testified specifically to the merits of the State participation program.

In light of these hearings, the full Commerce Committee met in open executive session on April 29, 1982, to consider an amendment in the nature of a substitute to S. 2301. That day the Committee by voice vote unanimously ordered favorably reported S. 2301 as amended. This legislation authorizes for FRA $29.3 million for fiscal year 1983, and $31.4 million for fiscal year 1984. Also, it authorizes continued funding for the State inspection program at levels of $2.7 million and $2.9 million for each of those fiscal years.

## Summary of Major Provisions

*Authorization of FRA program*

The Committee strongly supports FRA's express commitment to rail safety. Accordingly, it approved the increased funding level requested by the administration for fiscal year 1983, and approved an amount for the next year which would continue that level, taking into account inflation. This increase in funding is intended to cover the hiring of 20 new Federal safety inspectors, one-half of which will be used for track inspection. In the past, FRA has had problems recruiting the number of inspectors authorized. We hope that FRA will be able to attract the necessary inspectors, particularly in view of the recommended elimination of one year in the automated track inspection program.

The Committee approved this level with the understanding that FRA is seeking a funding level of $20 million to cover safety research as part of DOT's continuing appropriations. The Committee supports FRA's interest in safety research, particularly in view of the proposal to transfer the Transportation Test Center at Pueblo, Colo., from the Federal Government to the private sector.

In approving this increased funding level, the Committee wants to ensure continuation of the improvement made in rail safety overall between 1978 and 1981, as indicated by testimony received at the Committee hearings. We commend the cooperative efforts of FRA, management and labor to bring about this result. In particular, the Committee is supportive of systemwide assessments of carriers, an ap-

proach which has led to actions to correct specific safety problems, and which FRA indicates in its systems safety plan that it will continue. The Committee also urges FRA to use all of its available enforcement mechanisms as necessary to ensure continued safety improvement.

Concern was raised at the Committee hearings about the number of accidents caused by human error, which testimony indicated increased between 1976 and 1980. Witnesses concluded that this increase is in part due to a younger and more inexperienced workforce. It is for this reason that the Committee remains concerned about efforts in the area of employee training. As mandated in the 1980 rail safety legislation, FRA submitted to Congress earlier this year a study of employee training in the rail industry. This study states in essence that the appropriate Federal role should be in monitoring and assisting in the development of training programs geared to the particular problems of individual railroads. The Committee believes that the carriers must remain committed to pursuing such programs, and urges FRA to take an active role with rail labor and management in this important area.

In this regard, the Committee is also interested in efforts being made to deal with alcohol and drug abuse among rail employees. We are aware of programs initiated by labor and individual railroads, which we heartily support. Also, FRA has indicated to the Committee a commitment to further action in this area. We will be closely following these efforts.

Upon review of the safety statistics over the last several years, the Committee remains concerned about the number of fatalities associated with accidents at rail-highway grade crossings. We urge the continued commitment of FRA and the rail industry to working with the States and other government entities to deal with this problem.

In approving increased safety funding for FRA, the Committee wants to ensure continued efforts relating to the safety of hazardous materials transportation. In this regard, FRA sometime ago issued an advance notice of proposed rulemaking on the retrofitting of DOT-Specification 105 tank cars with headshields and thermal insulation. The Committee urges prompt resolution of this pending issue.

On the issue of hazardous materials safety, the Committee is concerned about the impact of certain proposed budget reductions in related programs administered elsewhere in DOT. In particular, DOT has proposed certain staff and program reductions within the Materials Transportation Bureau, which could have a detrimental impact on overall hazardous materials safety among all transportation modes. Such a proposal is clearly inconsistent with the concerns which Congress has raised in this area, and the direction in which prior legislation has gone. Furthermore, it appears inconsistent with the safety commitment indicated by the increased funding level requested for FRA. The Committee continues to seriously question the soundness of any such reduction in the Federal safety role.

*State participation program*

The Committee strongly supports continuation of the State participation program. Thus, it has authorized an amount necessary to

essentially continue the current level of participation for the next 2 fiscal years. This program was established to strengthen the Federal enforcement effort. The Committee believes that this objective is still valid and that this program remains important to achieving that end.

In recommending that the Federal funding for this program be discontinued, the administration questioned the soundness of a Federal investment in this program. It argued that the program is for the benefit of the States and thus should more properly be funded by the States. Furthermore, FRA expressed reservations about the success of the program.

The Committee believes that the Federal share in this program is a sound investment in the Federal safety effort. While initial State participation in the program was not overwhelming, currently 31 States participate, with a total of 94 inspectors, 86 of which are funded directly through the Federal/State share. These inspectors represent important added resources to the Federal program at lower cost to the Federal Government than if these inspectors had to be completely federally funded. It is clear that if the Federal share were discontinued, certain States would not be able to continue providing inspectors. Even though FRA intends to hire additional Federal inspectors, it is contemplated that such additions could replace those State inspectors. An important contribution to the safety program would be lost.

The Committee does not believe that the program represents an unnecessary addition to, or duplication of, Federal inspection efforts. While there may have been some duplication in the past, the Committee is persuaded that FRA's annual inspection plan and review will ensure more coordinated efforts between State and Federal inspectors. Furthermore, regulations under consideration by FRA to implement broadened State inspection authority as mandated by statute should allow the State inspectors to operate more efficiently, and the Committee urges prompt promulgation of these regulations to ensure that this objective is realized.

Furthermore, the Committee is persuaded as to the importance of such a Federal/State cooperative program in ensuring consistent enforcement of the Federal safety laws. Federal involvement through funding ensures continued Federal monitoring of State efforts. Such cooperative programs provide an important incentive for States to become interested in, and familiar with, the Federal safety program.

Much time has been invested in building up this State participation program. The Committee wants to ensure continuation of the progress which has been made, and urges continued interest on the part of the States and FRA to further strengthen the Federal safety program.

*Other statutory changes*

The Committee approved two statutory changes recommended by FRA relating to the Safety Appliance Act and the Ash Pan Act. These changes are the result of negotiations between rail labor and management and the FRA. The Committee is encouraged by this cooperative spirit, and will be following with interest the results of this cooperation in the final revision made to certain safety regulations.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, D.C., May 6, 1982.*

Hon. BOB PACKWOOD,
*Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 2301, the Federal Railroad Safety Authorization Act of 1982.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

MAY 6, 1982.

1. Bill number: S. 2301.

2. Bill title: The Federal Railroad Safety Authorization Act of 1982.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science and Transportation, April 29, 1982.

4. Bill purpose: The bill authorizes appropriations of $32 million in the fiscal year 1983 and $34.3 million in the fiscal year 1984 for the rail safety activities of the Department of Transportation (DOT). The money will fund salaries and expenses for DOT's rail safety program, inspection of track through automated track inspection vehicles, and grants-in-aid for state inspection programs. Unlike past years, this authorization does not include funding for railroad safety research and development.

Among other provisions, the bill amends current law to allow interchange of a defective care when so doing will reduce the hauling distance to the nearest repair point, and repeals the Ash Pan Act.

The bill authorizes appropriations of $2.7 million in fiscal year 1983 and $2.9 million in fiscal year 1984 for the state inspection program, a program which the President had requested to terminate at the end of 1982. The bill's $29.3 million authorization for other safety program activities matches the President's budget request for fiscal year 1983. The bill's fiscal year 1984 $31.4 million authorization for other program activities is above the President's $29 million budget projection.

5. Cost estimate:

| Authorization level: Fiscal year: | Millions |
|---|---|
| 1983 | $32.0 |
| 1984 | 34.3 |
| 1985 | ----- |
| 1986 | ----- |
| 1987 | ----- |

| Estimated outlays: Fiscal year: | Millions |
|---|---|
| 1983 | $27.7 |
| 1984 | 34.0 |
| 1985 | 4.6 |
| 1986 | ----- |
| 1987 | ----- |

Including outlays from both the new authorization and prior years' appropriations, outlays for the rail safety program are estimated to be $33.4 million in 1983 and $34.0 million in 1984.

The costs of this bill fall within budget function 400.

6. Basis of estimate: The estimate assumes that the full amount authorized will be appropriated prior to the beginning of each fiscal year. Outlays are estimated on the basis of the program's historical spending pattern.

7. Estimate comparison: The Administration has estimated that total 1983 outlays from a $29.3 million appropriation, which does not include the grants-in-aid program, would be $29.0 million.

8. Previous CBO estimate: None.

9. Estimate prepared by: Amy Dines.

10. Estimate approved by:

JAMES L. BLUM,
*Assistant Director for Budget Analysis.*

## REGULATORY IMPACT STATEMENT

In compliance with paragraph 11(b) of rule XXVI of Standing Rules of the Senate, the Committee hereby states that the reported bill will have no additional direct regulatory impact. The legislation reauthorizes FRA's safety activities and the State inspection program, which will have no additional effect on the number of persons regulated, the privacy of such persons, the cost of compliance with regulations, or the amount of paperwork required for such compliance. The repeal of the Ash Pan Act will reduce regulatory authority and the attendant regulation and paperwork. The changes to the interchange rule amend the law but are not expected to increase or decrease regulatory activity.

## SECTION-BY-SECTION ANALYSIS

*Section 1*

This section provides that the legislation may be cited as the "Federal Railroad Safety Authorization Act of 1982."

*Section 2*

This section amends section 214 of the Federal Railroad Safety Act of 1970 to authorize appropriations of $29.3 million for fiscal 1983 and $31.4 million for fiscal year 1984, in order for FRA to carry out its railroad safety responsibilities. It also authorizes $2.7 million for fiscal 1983 and $2.9 million for fiscal 1984, in order for FRA to pay up to 50 percent of the cost of the safety activities of the States participating in the safety enforcement program.

*Section 3*

This section amends section 4 of the Safety Appliance Act to allow movement for the purpose of repairs of a defective car to the nearest available point on a connecting carrier when that point is no farther than the nearest point on the carrier which discovered the defect and the connecting carrier agrees to accept and repair the car. The present law allows movement for repairs to the nearest available point but prohibits interchange of the car. Defective cars must frequently be hauled greater distances for repairs than would be required if the car could be repaired by a connecting carrier. This amendment is one recommended jointly by FRA, railroad management, and railroad labor.

*Section 4*

This section repeals the Ash Pan Act, an obsolete law requiring steam locomotives to be equipped with ash pans.

## Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman) :

## The Federal Railroad Safety Act of 1970

### Section 214 of That Act

Sec. 214. Authorization for Appropriations.—

(a) * * *

(b) * * *

*(c)(1) There are authorized to be appropriated to carry out the provisions of this Act, except section 206(d) of this title, not to exceed $29,300,000 for the fiscal year ending September 30, 1983, and not to exceed $31,400,000 for the fiscal year ending September 30, 1984.*

*(2) To carry out the provisions of section 206(d) of this title relating to State safety programs, there are authorized to be appropriated not to exceed $2,900,000 for the fiscal year ending September 30, 1984.*

[(c)] *(d)* Sums appropriated under this section for research and development, automated track inspection, and the State safety grant program are authorized to remain available until expended.

## The Act of April 14, 1910

### Section 4 of That Act

Sec. 4. Any common carrier subject to this Act using, hauling, or permitting to be used or hauled on its line, any car subject to the requirements of this Act not equipped as provided in this Act, shall be liable to a penalty of not less than $250 and not more than $2,500 for each and every such violation, to be assessed by the Secretary of Transportation and recovered as provided in section six of the Act of March second, eighteen hundred and ninety-three, as amended April first,

eighteen hundred and ninety-six: Provided, That where any car shall have been properly equipped, as provided in this Act and the other Acts mentioned herein, and such equipment shall have become defective or insecure while such car was being used by such carrier upon its line of railroad [, such car may be hauled from the place where such equipment was first discovered to be defective or insecure to the nearest available point where such car can be repaired, without liability for the penalties imposed by section four of this Act or section six of the Act of March second, eighteen hundred and ninety-three as amended by the Act of April first, eighteen hundred and ninety-six, if such movement is necessary to make such repairs and such repairs can not be made except at such repair point; and such movement or hauling of such car shall be at the sole risk of the carrier,] , *such car may be hauled from the place where such equipment was first discovered to be defective or insecure to the nearest available point on the line of railroad on which the car was discovered to be defective where such car can be repaired, or, at the option of a connecting carrier, such car may also be hauled to the nearest available point on the line of a connecting carrier where such car can be repaired, if such point is no farther than the nearest available point on the line on which the car was discovered to be defective, without liability for the penalties imposed by this section or section 6 of this Act, if any such movement is necessary to make such repairs and such repairs cannot be made except at any such point; any such movement or hauling of such car shall be at the sole risk of the carrier involved*, and nothing in this section shall be construed to relieve such carrier from liability in any remedial action for the death or injury of any railroad employee caused to such employee by reason of or in connection with the movement or hauling of such car with equipment which is defective or insecure or which is not maintained in accordance with the requirements of this Act and the other Acts herein referred to; and nothing in this proviso shall be construed to permit the hauling of defective cars by means of chains instead of drawbars, in revenue trains or in association with other cars that are commercially used, unless such defective cars contain livestock or "perishable" freight.

THE ACT OF MAY 30, 1908

**[Sec. 1 and 2. Locomotives to be equipped with safety ash pans**

[On and after the first day of January, nineteen hundred and ten, it shall be unlawful for any common carrier engaged in interstate or foreign commerce by railroad to use any locomotive in moving interstate or foreign traffic, not equipped with an ash pan, which can be dumped or emptied and cleaned without the necessity of any employee going under such locomotive.

[On and after the first day of January, nineteen hundred and ten, it shall be unlawful for any common carrier by railroad in any Territory of the United States or the District of Columbia to use any locomotive not equipped with an ash pan, which can be dumped or emptied and cleaned without the necessity of any employee going under such locomotive.

**[Sec. 3. Penalty for violation, and actions therefor; duties of United States attorneys and of Secretary**

[Any such common carrier using any locomotive in violation of the provisions of this Act shall be liable to a penalty of two hundred dollars for each and every such violation, to be recovered in a suit or suits to be brought by the United States district attorney in the district court of the United States having jurisdiction in the locality where such violation shall have been committed; and it shall be the duty of such district attorney to bring such suits upon duly verified information being lodged with him of such violation having occurred; and it shall also be the duty of the Interstate Commerce Commission to lodge with the proper district attorneys information of any such violations as may come to its knowledge.

**[Sec. 4. Enforcement by Secretary**

[It shall be the duty of the Interstate Commerce Commission to enforce the provisions of this Act, and all powers heretofore granted to said Commission are hereby extended to it for the purpose of the enforcement of this act.

**[Sec. 5. Who included in term "common carrier"**

[The term "common carrier" as used in this Act shall include the receiver or receivers or other persons or corporations charged with the duty of the management and operation of the business of a common carrier.

**[Sec. 6. Provisions not applicable to locomotives on which ash pan not necessary**

[Nothing in this Act contained, shall apply to any locomotive upon which, by reason of the use of oil, electricity, or other such agency, an ash pan is not necessary.]

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Calendar No. 573

97TH CONGRESS
2d Session

SENATE

REPORT
No. 97-404

# NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION AUTHORIZATION OF 1982

MAY 19 (legislative day, MAY 11), 1982.—Ordered to be printed

Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, submitted the following

## REPORT

[To accompany S. 2181]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 2181) relating to the National Telecommunications and Information Administration, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill do pass.

### PURPOSE

The legislation authorizes appropriations for the National Telecommunications and Information Administration (NTIA) for fiscal year 1983 at $12,417,000. This bill also authorizes the Secretary of State to designate private individuals to speak on behalf of and for the United States at conferences involving international telecommunications matters.

### BACKGROUND AND NEED

In 1950, President Truman created the President's Office of Telecommunications Advisor. His successors reorganized that office several times. In 1978, President Carter merged the Office of Telecommunications Policy (created during the Nixon Administration) with the Commerce Department's Office of Telecommunications, and created NTIA. NTIA was established pursuant to Reorganization Plan No. 1 of 1977 and Executive Order No. 12046. Responsibility for Administration of the Public Telecommunications Facilities Program (PTFP) was assigned to NTIA in 1978 (47 U.S.C. 390).

In fiscal year 1981, NTIA:

(1) Served as the principal executive branch advisor to the President on communications policy;

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(2) Developed executive branch policy on telecommunications and information services;

(3) Prescribed policies for and managed Federal use of the radio frequency spectrum, in accordance with Section 305 of the Communications Act of 1934, as amended (47 U.S.C. 305 (1976)).

(4) Developed (with the Department of State and other agencies) international telecommunications plans and policies, and coordinated U.S. government positions in and for international telecommunications meetings and conferences;

(5) Served as a Federal telecommunications research and study center, and provided expert technical support to other agencies, primarily through the Institute for Telecommunications;

(6) Administered the Public Telecommunications Facilities Program;

(7) Advised the Office of Management and Budget and other Federal agencies on policies governing the use and acquisition of telecommunications systems, services, and products, including the protection of sensitive, but unclassified, information;

(8) Coordinated Federal research efforts regarding the biomedical effects on nonionizing electromagnetic radiation; and

(9) Facilitated expanded world trade opportunities in the telecommunications and information services sectors, through the reduction and avoidance of nontariff trade barriers and other constraints.

NTIA has traditionally published extensive technical reports, detailed economic and policy studies, and developed regulatory proposals on broadcast and cable television services, domestic and international communications, and information services, telephone rate and pricing policies, and transborder data flow, and information. NTIA was authorized in fiscal year 1982 at $16,500,000.

Although the decrease in the fiscal year 1983 authorization level to $12,417,000 is significant, the reduction is based on a change in the functions of the agency.

NTIA's activities grew during its first 3 years of operation. Prior to its reorganization, OTP's annual budget was less than $10 million. By 1980, NTIA was spending $17 million primarily from increased participation in regulatory agency proceedings. With this administration's emphasis on decreased regulation and this Committee's efforts to deregulate many telecommunications services, NTIA's extensive participation in regulatory proceedings is likely to be reduced.

For example, during the years 1979 to 1981, NTIA played a critical role in the development of FCC policy in its Second Computer Inquiry, Low Power Television, and Direct Broadcast Satellite. FCC policy in these areas has been established or is in the final stages of formulation; NTIA need not have intensive involvement in the implementation process. While the Committee expects NTIA to participate in any major proceedings that may arise, and to monitor closely all industry and regulatory proceedings, NTIA's level of involvement will be substantially lower.

The Committee does not foresee the FCC taking any new major initiatives in fiscal year 1983 that will require extensive participation. The FCC must devote its major resources to the implementation of established policy.

This does not mean that NTIA should eliminate its policy development functions. While staff must be cut back in virtually all areas to meet the budget reductions, we do not expect NTIA's policy office to be dismantled. In particular, Congres frequently relies on prompt and thorough analyses of issues by NTIA during the legislative process. It must maintain adequate staff support to respond to such requests and assure its participation in the major proceedings referred to above.

The Committee does not expect NTIA to eliminate the Public Telecommunications Facilities Program (PTFP). The $12,417,000 authorization figure proposed by the administration contemplates only $250,000 to be devoted to the PTFP. This would presumably be only enough to phase-out this program. The Committee expects the authorization of $15 million in fiscal year 1983 for the PTFP as contained in Public Law 97–35, will be appropriated by Congress and that NTIA will devote the necessary resources (contemplated in section 1 of the bill) as determined in the appropriations process, for the implementation of this program.

The PTFP has brought public broadcasting service to states like Arizona, South Dakota, New Mexico, and Nevada, where no service would otherwise exist. The Committee expects this program to continue since many areas are yet to be served. An adequate level of funding has to exist to accomplish this end.

Additionally, the Committee expects NTIA to play a significant role in the formulation of international telecommunications policy by the Executive Branch. The United States faces a rising challenge to its technological telecommunications leadership from foreign firms, many of them directly or indirectly supported by their governments. In the area of information services, there has been an increase in barriers to U.S. service offerings, limits on transmission facilities, problems of entry into foreign markets and restrictions on the flow of information across national barriers.

An integrated global market in telecommunications equipment, information and services is developing at a rapid pace. The U.S. Government must establish a long range strategy that will promote and protect U.S. interests. NTIA must exercise leadership in the development of that strategy.

The bill authorizes the Secretary of State to designate private individuals to speak on behalf of the United States at international conferences where telecommunications matters are at issue. This will allow the government to draw upon the expertise in both the public and private sector, thereby insuring a persuasive and effective presentation of U.S. positions in international conferences. The Committee fully expects that these private individuals will be chosen from a variety of interests, to insure balanced representation of interests. Such conferences would include: the International Telecommunication Union (ITU); the International Consultative Committees for Radio and for Telegraph and Telephone (CCIR and CCITT); the Organization for Economic Cooperation and Development (OECD); the United Nations Educational, Scientific, and Cultural Organization (UNESCO); the U.S. Delegations to the Assembly of Parties of the International Telecommunications Satellite Organizations (INTELSAT); and the Assembly of the International Maritime Satellite Organization (INMARSAT).

## LEGISLATIVE HISTORY

S. 2181 was introduced by Senator Goldwater (with Senators Packwood, Schmitt, Pressler, Stevens and Cannon) on March 9, 1982. The subcommittee on Communications held hearings on the bill on March 22, 1982. The Committee has considered all views presented in recommending the legislation reported herein.

## ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
*Washington, D.C., April 6, 1982.*

Hon. BOB PACKWOOD,
*Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 2181, a bill relating to the National Telecommunications and Information Adminstration, and for other purposes.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

RAYMOND C. SCHEPPACH
(For Alice M. Rivlin, Director).

## CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

APRIL 6, 1982.

1. Bill number: S. 2181.

2. Bill title: A bill relating to the National Telecommunications and Information Administration, and for other purposes.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science and Transportation, March 29, 1982.

4. Bill purpose: S. 2181 authorizes the appropriation of $12.4 million, plus such additional sums as may be necessary for adjustments in salary, pay, retirement and other employee benefits, to carry out the activities of the National Telecommunications and Information Administration (NTIA) in fiscal year 1983. It also authorizes the Secretary of State to designate private individuals to represent the United States at conferences involving international telecommunications issues.

5. Cost estimate:

[By fiscal years, in millions of dollars]

| | 1983 | 1984 | 1985 | 1986 | 1987 |
|---|---|---|---|---|---|
| Authorization level: | | | | | |
| Specified | 12.4 | | | | |
| Estimated | .6 | | | | |
| Total | 13.0 | | | | |
| Estimated outlays | 10.7 | 1.5 | 0.8 | | |

The costs of this bill fall within budget subfunction 376.

6. Basis of estimate: For purposes of this estimate it was assumed that the entire amount authorized in the bill would be appropriated prior to the beginning of fiscal year 1983. In addition, authorization for increases in pay and other benefits of approximately $0.6 million were estimated based on CBO's current inflators. Outlays reflect historical spending patterns.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Mary Maginniss.

10. Estimate approved by:

JAMES L. BLUM,
*Assistant Director for Budget Analysis.*

## REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation:

S. 2181, as reported, reflects a significantly decreased funding amount for NTIA, from levels of previous years. As such, the role of NTIA, in the regulatory arena, will be diminished accordingly.

## SECTION-BY-SECTION ANALYSIS

Section 1 of S. 2181 authorizes appropriations for the NTIA at $12,417,000 for fiscal year 1983. The authorization level will be adjusted upward for increases in nondiscretionary costs.

Section 2(a) authorizes the Secretary of State to designate representatives of affected agencies of the U.S. Government and private sector representatives to U.S. delegations to international conferences.

Section 2(b) exempts such private sector representatives from certain conflict-of-interest restrictions.

Section 2(c) requires such representatives to maintain on file with the Department of State certain financial disclosure reports.

Section 2(d) enumerates some of the international conferences to whose delegations members of the private sector may be appointed.

## CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the committee states that the bill as reported will make no change to existing law.

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